

Press Release

Top Gear Fashions

December 13, 2019

Rating Update



Total Bank Facilities Rated*	Rs.8.00 Cr. #
Long Term Rating	ACUITE BB (Downgraded from BB+/Stable) Issuer not co-operating*

Refer Annexure for details

* The issuer did not co-operate; based on best available information.

Acuité has downgraded the long-term rating of Top Gear Fashions to **'ACUITE BB' (read as ACUITE double B)** from **'ACUITE BB+' (read as ACUITE double B plus)**. The rating is now an indicative rating and is downgraded on account of information risk.

Ludhiana based, Top Gear Fashions was established in 2016 and is engaged in the business of manufacturing of knitted fabrics. Firm is being promoted by Mr. Dharamvir Jain, Mr. Mohinder kumar Jain, Mr. Ashok Kumar Jain, Mr. Anup Jain, Mr. Archit Jain, Mrs. Rama Jain, Mrs. Seema Jain and Mrs. Chandni Jain.

Non-cooperation by the issuer/borrower:

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities - <https://www.acuite.in/view-rating-criteria-59.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated attempts.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
04-Oct-2018	Term Loans	Long Term	4.95	ACUITE BB+/ Stable (Assigned)
	Proposed Term Loans	Long Term	0.90	ACUITE BB+/ Stable (Assigned)
	Proposed Long Term Loan	Long Term	2.15	ACUITE BB+/ Stable (Assigned)

#Annexure – Details of instruments rated

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Cr.)	Ratings
Term Loans	Not Applicable	Not Applicable	Not Applicable	4.95	ACUITE BB (Downgraded from BB+/Stable) Issuer not co-operating*
Proposed Term Loans	Not Applicable	Not Applicable	Not Applicable	0.90	ACUITE BB (Downgraded from BB+/Stable) Issuer not co-operating*
Proposed Long Term Loan	Not Applicable	Not Applicable	Not Applicable	2.15	ACUITE BB (Downgraded from BB+/Stable) Issuer not co-operating*

*The issuer did not co-operate; based on best available information

Contacts

Analytical	Rating Desk
Aditya Gupta Head- Corporate and Infrastructure Sector Tel: 022-49294041 aditya.gupta@acuite.in	Varsha Bist Manager - Rating Desk Tel: 022-49294011 rating.desk@acuite.in
Deepesh Pamnani Analyst - Rating Operations Tel: 011-49731302 deepesh.pamnani@acuite.in	

About Acuite Ratings & Research:

Acuite Ratings & Research Limited (Erstwhile SMERA Ratings Limited) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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